

LBNL – PROCUREMENT STANDARD PRACTICES

Section: 8

Required Sources of Supply

Subject: 8.5

Orders Against GSA Federal Supply Schedule

PURPOSE: This standard practice (SP) provides procedures for procuring goods and services available under General Services Administration (GSA) Federal Supply Schedule contracts (FSS contracts).

POLICY: The Department of Energy (DOE) authorizes the Laboratory to fill its acquisition requirements from government sources of supply if it is economically advantageous or otherwise in the best interest of the Laboratory.

SCOPE: This SP applies to orders involving GSA Federal Supply Schedules (FSS).

DEFINITIONS:

Delivery Order A delivery order consists of products (goods or services) which are covered by an FSS contract in accordance with the prices, delivery terms, quality, minimum/maximum order quantities or dollar amounts, or other terms and conditions of the FSS contract.

Open Market Items Open market items are products (goods or services) that are not specifically covered by an FSS contract. The FSS contractor and the Laboratory reach an independent agreement on price and delivery, but may agree to apply the terms and conditions of the contractor's FSS contract for a similar commodity in lieu of the Laboratory's standard terms and conditions.

PROCEDURES:

General All FSS contracts are awarded by the Government through GSA. Procurement specialists may award delivery orders against FSS contracts without seeking further competition, publicizing the requirement, price/cost analysis, obtaining certified cost or pricing data, or determining fairness and reasonableness of prices. However, purchase under FSS contracts is not mandatory upon the Laboratory.

While reasonableness of price is established by GSA on a particular contract, ordering from a particular GSA FSS contract may not be the most economically advantageous or otherwise in the best interests of the Laboratory and the Government. Lower cost products and/or suppliers may be found by comparing multiple FSS contract price lists or other sources of supply.

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**Terms and
Conditions**

Purchases made under FSS contracts must be made in accordance with the prices, delivery terms, quality, minimum/maximum order quantities or dollar amounts, or other terms and conditions of the FSS contract. Procurement Specialists are not permitted to add or delete terms and conditions except as noted under “Work On-Site”, below. The Laboratory’s standard General Provisions are not to be incorporated into orders placed under FSS contracts.

**Laboratory FSS
Authorization**

Orders placed against FSS contracts shall include a provision substantially similar to the following:

GSA Authorization

This delivery order is placed under and shall be subject to the terms and conditions of the Seller’s GSA Federal Supply Schedule Contract No.: GS-[insert number] or its latest revision.

In the event of any inconsistency between the terms and conditions of the Seller’s Federal Supply Schedule Contract and this delivery order, the terms and conditions of the Federal Supply Schedule Contract shall apply.

The University is authorized by DOE to base the prices for the supplies covered by this delivery order on the prices, terms and conditions of the Seller’s Federal Supply Schedule Contract. The University will furnish written documentation of such authorization to the Seller upon request.

Work On-Site

For work to be performed on Laboratory premises, include the Laboratory-specific clause for work on-site in the subcontract (see SP 23.1, *Environment, Safety, and Health*).

**Verifying FSS
Availability**

The procurement specialist must verify that the required goods or services are available under a current FSS contract and verify the applicable terms, conditions, and limitations of that contract, if any.

Limitations

Many FSS contracts contain a limitation on the dollar amount of a delivery order. If a subcontractor is willing to accept a delivery order that exceeds its limitation, consideration, such as an increase in quantity, lower pricing, better delivery schedule, etc., should be negotiated.

**Blanket Purchase
Agreements (BPAs)**

Based upon the estimated total purchase, the Laboratory may issue BPAs to achieve the greatest discounts if authorized by the terms and conditions of the FSS contract.

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Subcontractor Use of Federal Supply Schedules

With approval from DOE, the Laboratory may authorize cost reimbursement subcontractors to acquire goods and services directly from FSS contracts.

Competition and Price Reasonableness

The planning, solicitation, and award phases of FSS contracts comply with FAR requirements. Consequently, there is no need to seek further competition, make a separate determination of fair and reasonable pricing, or consider set aside procedures when placing a delivery order under a FSS contract. Citation of the applicable GSA contract (number, date, contractor) is sufficient justification for the reasonableness of price of items ordered under an FSS contract. This does not preclude seeking additional competition to improve prices where circumstances warrant.

The procurement specialist must document the file, if required, with the basis for determining the reasonableness of price for items not awarded strictly under the terms of the FSS contract.

Documentation

The procurement file should be documented with the dates and persons at the companies contacted, the terms offered, and determination of price reasonableness and/or best value as appropriate.

Because FSS contracts are public records available for audit (if required), it is not necessary to file a copy of the GSA FSS contract with the order.

Mixed Requirements (FSS and Non-FSS)

If the required items are not available under the FSS contract, standard procurement procedures apply for the non-FSS items (e.g., competition or non-competitive justifications at applicable thresholds). While the non-FSS items can be awarded on the same order, if allowed by the FSS schedule, the order must clearly identify the item(s) which are not available under the FSS contract, e.g., “open market” items.

For orders placed with the FSS contractor, if some of the items are available under the FSS contract and the remaining are open-market items, the procurement specialist may:

- Place two orders, one against the FSS contract and a second using the Laboratory’s standard terms and conditions; or
- Place a single order identifying both the FSS and open market items, and indicate that the order is placed in accordance with the FSS as an open market order by including the following provision in addition to the Laboratory FSS authorization:

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“Items_____of this delivery order are included in [company name]’s GSA Contract No. GS-[insert number] expiring on [month/day/year]. Items_____are awarded as an open market order subject to the terms and conditions of the cited contract.”

Non-FSS Items of the Same Commodity Class

If the items are not available under an FSS contract but the contractor has an FSS contract for other items of the same commodity class, the procurement specialist may incorporate the terms and conditions of the FSS in lieu of the Laboratory’s standard terms and conditions, if the FSS contractor agrees, by including a provision such as the following:

“The terms and conditions of this purchase order shall be in accordance with [company name] GSA Contract No. GS-[insert number] expiring on [month/day/year] as an open market order.”

Buying FSS Items as Open Market Items

If items are available under a current FSS contract but the procurement specialist is aware of other alternatives such as educational pricing that may be utilized to obtain better pricing, the procurement specialist may place the order as an open market order, if the FSS contractor agrees. The open market provision immediately preceding this paragraph may be used.

RESPONSIBILITIES:

Procurement Specialist

The procurement specialist is responsible for:

- Using GSA FSS contracts when their use is economically advantageous or otherwise in the best interest of the Laboratory;
- Including the supplemental provisions in delivery orders involving work on Laboratory premises or access to classified information or special nuclear material or unescorted access to security areas;
- The procurement file should be documented with the dates and persons at the companies contacted, the terms offered, and determination of price reasonableness and/or best value as appropriate;
- Verifying the availability of goods and services under FSS contracts and applicable terms and conditions;
- Including the Laboratory FSS authorization for all items placed under an FSS contract ; and
- Determining prices to be fair and reasonable for those items not placed strictly against an FSS contract.

REFERENCES:

Prime Contract Clause I.57 - Government Supply Sources